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REPORT OF THE AFRICAN CONFERENCE ON FREEDOMS OF THE AIR

Mbabane, Swaziland
19 to 23 November 1984

I. ORGANIZATION

1. The African Conference on Freedoms of the Air was held in Mbabane, Swaziland, from 19 to 23 November 1984 at the invitation of the Government of the Kingdom of Swaziland.

II. ATTENDANCE

2. Representatives of the following States members of the Economic Commission for Africa attended the Conference: Benin, Cameroon, Chad, the Congo, Egypt, Ethiopia, Gabon, Ghana, the Ivory Coast, Kenya, Malawi, Mauritius, the Niger, Nigeria, Swaziland, the United Republic of Tanzania, Zaire, Zambia and Zimbabwe.

3. The following African airlines were also represented: Air Afrique, Air Burundi, Air Djibouti, Air Gabon, Air Mauritius, Air Chad, Air Zaire, Cameroon Airlines, Ethiopian Airlines, Ghana Airways, Kenya Airways, Nigeria Airways, Royal Swazi National Airways and Zambia Airways.

4. The following international organizations and African intergovernmental organizations also sent representatives: the Organization of African Unity (OAU), whose secretariat participated in the work of the Conference; the African Civil Aviation Commission (AFCAC) and the African Airlines Association (AFRAA).

5. The United Nations Conference on Trade and Development (UNCTAD) and the International Civil Aviation Organization (ICAO) participated in the Conference as observers.

6. The following organizations also sent observers: Agence pour la securité de la navigation aérienne en Afrique et à Madagascar (ASECNA), the International Air Transport Association (IATA), the Preferential Trade Area (PTA) for Eastern and Southern Africa and the Pan-African Postal Union (PAPU).

III. OPENING OF THE CONFERENCE

7. The Conference was opened by the Hon. Chief S. Shongwe, Minister of Works and Communications of Swaziland, who extended a hearty welcome to participants on behalf of Her Majesty's Government and the Swazi nation. He recalled that some 40 years previously in Chicago, a conference attended by 25 countries from all over the world had discussed, among other things, the freedoms of the air. That conference had not been absolutely successful, since only the first two freedoms had been accepted by all for inclusion in a single instrument, the International Air Services Transit Agreement. While the Convention on International Civil Aviation had also been signed at that time, it had failed to grant any privileges to scheduled air operations: even in 1984 such privileges were still sadly lacking. Hence the task facing the first African Conference on Freedoms of the Air was a challenging one.

8. He appealed to delegations to take advantage of the unique opportunity offered by the Conference to talk from the same side of the table, a situation very different from the adversary atmosphere of negotiations on bilateral air services agreements.

9. The statement that businessmen, government officials and technicians were attuned to a transport system putting virtually any city in the world no more than 24 hours away from another was, regrettably, not true in Africa. It was sometimes quicker to fly from one city in Africa to another via a point in Europe. It was not uncommon for a foreign airline to enjoy better privileges than an African airline operating into the same African airport.

10. The present Conference was sufficient evidence of the awareness by Africans of the gravity of the problems they had to overcome. Efforts had been made to find solutions and resolutions had been passed but unfortunately it seemed that there was a lack of enthusiasm for their implementation. It had become common practice for international forums to discuss problems and make proposals for solving them; but often very little or nothing at all was done to implement them. He therefore concluded by expressing the hope that the recommendations accepted by the present Conference would actually be implemented thereafter.

11. Mr. Tchouta Moussa, Acting Deputy Executive Secretary of ECA, welcomed participants and offered apologies to them and the Government of Swaziland from the Executive Secretary of ECA, Mr. Adebayo Adedeji, who was otherwise engaged and could not attend the Conference. He thanked Her [illegible] the Queen Regent of Swaziland, her Government and people for agreeing to hold the Conference, making such excellent arrangements for it, and giving the participants such a warm welcome.

12. He went on to say that the air transport sector was an important factor in the economic and social integration of the continent. It was the duty of ECA, whose primary task was to pursue such integration, to work constantly for the development of air transport in Africa. The Commission's activities in that regard included the joint organization with ICAO of the first Conference on African Air Transport and its unceasing efforts to carry out the programme for the Transport and Communications Decade in Africa. The strategy and plan of action for the Decade included all activities conducive to the growth of African air transport, based on a thorough analysis of trends in the sector. The survey had revealed a tendency for African airlines to multiply, resulting in a climate of competition that was, on balance, harmful, deteriorating infrastructure, and increasingly complicated procedures at airports. Among the factors responsible for the decline were problems in securing traffic rights, which obstructed inter-airline co-operation. For all the efforts by AFCAC, AFRAA and ICAO to improve matters, much remained to be done. The African Ministers of Transport, Communications and Planning had adopted resolution ECA/UNTACDA/Res. 79/6, calling on African States to facilitate the granting of fifth-freedom rights to African airlines for that reason, and were forever stressing the need to put it into effect. The current Conference, organized jointly by ECA and OAU with assistance from AFCAC and AFRAA, should allow progress to be made on the resolution, which had always posed many problems. However complicated those problems were, it was of the greatest importance to have reached a consensus by the end of the Conference. ECA had prepared a number of documents for participants' consideration, with

emphasis on the main factors it had found to prevent air transport from contributing as much as it might to the integration and economic and social development of the continent. Those factors included, first, protectionism with its various side effects, such as difficulties in procuring traffic rights, and the want of co-ordination and co-operation in the air transport sector which, by the year 2008, was supposed to be providing more extensive services. Immediate action to protect its future was vital. One move favoured by ECA was to optimize operations by establishing multilateral airlines. Other, supplementary steps to be spelt out later, should above all be designed to foster co-operation and co-ordination and emphasize the need to reconcile differences in legislation, to ratify the convention on tariffs, to encourage exchange of the freedoms of the air, to resolve the problems associated with the transfer of earnings, and to improve facilitation at airports. ECA would work with the other organizations concerned to make their aims a reality during the second phase of the Decade.

13. In conclusion, he wished the Conference every success in its work and thanked the participants for their individual contributions to that end.

14. The representative of OAU also expressed his sincere gratitude to the Government of the Kingdom of Swaziland for the cordial welcome given to the participants and organizers of the Conference. He drew attention to the difficulties encountered in travelling to Swaziland as practical experience which would allow the Conference to address its topic on the basis of first-hand knowledge. He reminded the Conference of the historic African Declaration on Co-operation, Development and Economic Independence adopted at the tenth summit of OAU, which called upon African countries to effectively strengthen co-operation between African airlines in matters concerning harmonization of timetables, tariffs, maintenance, research and training.

15. The problems which had traditionally hindered the development of air transport in Africa were protectionism, lack of modern equipment and infrastructure, and high operating costs, all of which required effective co-operation, systematic pooling arrangements and co-ordinated air transport policies. The Conference, he said, had to come to grips with those issues; he recommended that no restriction on either capacity or fifth-freedom rights should apply to African carriers operating within the continent.

16. He suggested that the Conference should first examine in depth ways to achieve a serviceable degree of multinational and/or regional co-operation and co-ordination by means of air transport policy, then consider means of achieving the ultimate goal, namely the liberation of traffic rights, and finally, take up questions pertaining to structures, institutions or legal documents which could be instrumental in bringing about regional co-operation on freedoms of the air.

17. The President of the African Civil Aviation Commission (AFCAC) underlined the importance of air transport in Africa, commenting that during the colonial era surface transport had not been developed and, despite commendable efforts by the newly independent States, was still far from adequate. Air transport was in most cases the only means of communication available. Improved air transport was thus a condition sine qua non for the movement of people, cargo and mail, and basic to the development of tourism and intra-African trade.

18. AFCAC policy was to liberalize the granting of traffic rights. The creation of AFCAC consultation machinery had been endorsed by the Heads of State and Government of the Organization of African Unity at their 18th summit in 1981. The question that remained to be answered was why, in spite of so much goodwill among African States, the desired goal had not yet been realized. He hoped the Conference would come up with an answer to that vexed question and a strategy for implementing the various resolutions which had previously been adopted by African States.

19. The representative of AFRAA remarked approvingly on the style of short statements and more action set by the Heads of State and Government of OAU member countries in their recent summit in Addis Ababa, Ethiopia. He drew attention to the resolutions adopted over the years on freedoms of the air, urging bodies specializing in air transport and airlines in Africa to progress towards their desired goal of African unity. The present gathering had been ordered by African Heads of State in order to identify ways of achieving their objectives, and the excellent attendance at the conference was an indication that their urgings had been heeded. He therefore hoped to see a free interchange of thoughts and a resolve to compromise in the search for solutions acceptable to all.

IV. ELECTION OF OFFICERS (agenda item 2)

20. The African Conference on the Freedoms of the Air elected the following officers:

Chairman:	Swaziland
First Vice-Chairman:	Zimbabwe
Second Vice-Chairman:	Cameroon
Rapporteur:	United Republic of Tanzania

21. In his statement, Mr. Gilbert M. Mabila thanked the Conference for having enough confidence in him to elect him as Chairman. He said that the freedoms of the air had been discussed several times in different international forums and in connection with the United Nations Transport and Communications Decade in Africa. The formidable task facing the Conference was to study the complex problem and consider ways and means of applying the various resolutions adopted by the African Ministers of Transport, Communications and Planning and the Heads of State and Government of OAU.

V. ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK (agenda item 3)

22. The Conference adopted the following agenda and programme of work:

1. Opening of the meeting
2. Election of officers of the Conference
3. Adoption of the agenda and organization of work
4. General situation of air transport in Africa
   (a) Introductory report on the role and activities of ECA
   (b) Theme 1: The shortcomings of the African air transport network and ways and means of improving it
5. Theme 2: Obstacles to the granting of traffic rights particularly those of the fifth freedom
6. Theme 3: The impact of the fifth freedom on strategies to develop air transport services
7. Theme 4: Measures aimed at facilitating the exchange of traffic rights, namely those of the fifth freedom
8. Theme 5: Facilitation in Africa
9. Any other matters
10. Adoption of the report
11. Closing

23. The Conference decided to set up a committee comprising:

Chairman: United Republic of Tanzania
Members: Cameroon, Egypt, the Niger, Air Afrique, Ethiopian Airlines, and the Conference organizers (ECA, OAU, AFCAC and AFRAA)

to draft recommendations and conclusions.

24. After amending item 10 to read "Adoption of the report, recommendations and conclusions", the Conference adopted its agenda, and decided to consider item 9 during its morning session on Thursday, 22 November 1984.

25. The Conference decided to hold its sessions as follows:

Mornings: 9.00 a.m. - 1.00 p.m.
Afternoons: 3.00 p.m. - 6.30 p.m.

VI. SUMMARY OF DISCUSSIONS

General situation of air transport in Africa (agenda item 4)

26. A number of reports were introduced under this agenda item.

A. Activities and role of ECA [agenda item 4 (a)]

27. A representative of the ECA secretariat introduced document TRANS/AIR/CONF/84/2 and spoke about the role that air transport was supposed to play in the economic and social development and physical integration of Africa. ECA's activities in that area were in line with its terms of reference, which were mainly to design policies to facilitate concerted action for the economic and social development of Africa and to be involved in the implementation of such policies. He then briefly talked about the current situation of air transport in Africa, characterized by the creation of several new airlines which, because of the lack of a coherent overall programme, had led to the acquisition of non-homogenous equipment, the abandoning of strategies and concentration of efforts on short-term objectives. That policy had resulted in an increase in high-yielding air routes to the detriment of other air routes that were considered strategic; competition; curtailments in the operations of some airlines; and a deterioration in the situation of those airlines that had focused only on the carriage of passengers. Moreover, the development of infrastructure had not kept pace with the development of air transport.

28. With respect to air services, intra-African travel still required many hours of waiting and sometimes passengers had to go outside Africa for flight connections to destinations within Africa. That situation had been caused by among other things, the protectionist policies of African States and problems with the co-ordination of activities of African airlines and the transfer of funds.

29. With respect to activities carried out by ECA since 1964 to develop air services and to find solutions to various problems, the Commission had provided technical assistance to members to identify and formulate development and co-operation projects; organized a technical consultative meeting on air transport projects included in the first phase of the United Nations Transport and Communications Decade in Africa; taken measures to eliminate non-physical barriers; convened the diplomatic conference that had adopted the convention on the establishment of the African Air Tariff Conference; and monitored the establishment of multinational training centres in Africa.

30. During the second phase of the Decade, ECA would focus on the development and maintenance of infrastructure; the implementation of training programmes; co-operation and integration of African airlines; studies with a view to creating multinational airlines; and the organization of a technical consultative meeting on air transport projects under the second phase of the Decade.

31. The Conference took note of ECA's activities in the field of air transport.

B. The shortcomings of the African air transport network and ways and means of improving it [agenda item 4 (b)]

32. After this sub-item had been introduced by a member of the ECA secretariat, who stressed the poor connections of the African air transport network, documents were introduced by Mr. J.N. Kahuki, President of AFCAC and Colonel Semret Medhane, Secretary-General of AFRAA.

33. The paper presented by Mr. Kahuki (document TRANS/AIR/CONF/84/4/a), which emphasized the importance of air transport as a rapidly changing and developing industry with clear advantages over surface transport, said that air transport was the only way to connect African States with one another and the rest of the world quickly and at relatively low cost. Despite that advantage, the paper argued, the industry was still relatively underdeveloped in Africa by comparison with other regions of the world, as indicated by 1982 statistics on the growth of domestic and international traffic for the African region which showed intra-African airline connections to be unsatisfactory and inter-city travel in the region to involve several delays or connections outside Africa.

34. The paper covered air traffic statistics in Africa with emphasis on intra-regional, trans-regional and intra-African traffic, based on the AFCAC/ECA study on optimum development of air services in Africa conducted by ITA in 1982. It emphasized the low overall volumes of traffic, the concentration of African air transport on a very small number of relatively high-density routes, and the paucity of connections from one country to another. The author stressed that essential services were still missing, but before creating new services it was important to improve the existing ones. AFRAA was preparing to introduce a basic grid system for possible intra-Africa flights that would provide for a maximum number of daily services between 50 African capitals.

35. The paper went on to list factors adversely affecting the growth of air transport in Africa. It mentioned some of the steps proposed to deal with them and spelt out what AFCAC was doing to improve matters. Aircraft maintenance and facilitation were singled out as two areas of especial importance to the growth of the industry. The paper concluded that co-operation was the answer to Africa's air transport problems, and suggested two types. One was co-operation between African Governments, which could be through the adoption of a more liberal approach to the exchange of fifth-freedom traffic; the signing and/or ratification of the convention establishing the African Air Tariff Conference so as to bring it into force as soon as possible; assistance to airlines in their efforts to modernize fleets; co-operation in the promotion of tourism; and co-operation in establishing regional airlines and, ultimately, a pan-African airline. The other, co-operation between African airlines, could be achieved through commercial undertakings (pooling agreements, commercial representation, joint operations, reservation and interline agreements, capacity sharing, and harmonization of schedules, etc.). Technical co-operation (establishing and using joint maintenance facilities, joint use of ground equipment at airports, harmonizing staff training especially in technical fields, pooling spare parts, airport handling, etc.); and joint financing and purchase of aircraft: African airlines should pool their resources and co-operate in joint purchases of equipment under the best conditions so as to ensure the standardization of equipment and a reduction of maintenance and overhauling costs.

C. The shortcomings of the African air transport network and ways and means of improving it [agenda item (b)]

36. The paper presented by Col. Semret (TRANS/AIR/CONF/84/4/b) welcomed the fact that African countries had declared their intention to unite, and recognized that air transport was vital to the achievement of a wider basis for African unity. The present arrangement of traffic rights among African States could not achieve the desired unity: possible exchanges were left in abeyance partly because existing ones had not been activated and also because traffic rights exchanged between African and non-African States had mostly benefited the non-African airlines. The situation was due to restrictions in traffic rights, equipment and/or scheduling, financial limitations resulting from conflicts of interest among national carriers in operating continental routes, and restrictive regimes adopted by carriers not wishing to operate continental routes.

37. Solutions to some of those shortcomings might be achieved, the paper argued, if the following guidelines were implemented:

(a) First- and second-freedom rights to operate the most direct and economical routings possible should be granted by all African States to all African carriers without restriction, except where safety or security conditions dictated;

(b) On East-West routings, generally along the four bands identified in the AFRAA grid system, third- and fourth-freedom traffic rights should be granted to all African airlines without restriction beyond a frequency limitation of three per week. Fifth-freedom requirements for multi-stop-over operations on East-West routes should initially be met by reciprocal exchanges of such rights;

(c) The policy outlines in (b) should also apply to North-South operations, except that the opportunities for sixth-freedom traffic for carriers to the North must be recognized;

(d) Penetration by foreign carriers into African markets should be limited by defining "spheres of influence" for African airlines.

38. After the presentation of documents TRANS/AIR/CONF/84/4/a and TRANS/AIR/CONF/84/4/b by the President of AFCAC and the Secretary-General of AFRAA respectively, there was some debate about how to discuss the two papers since both their titles and contents went beyond the freedoms of the air. The Acting Deputy Executive Secretary of ECA suggested that the Conference should first discuss the general problems related to freedoms of the air, then continue more specifically with the agenda participants had adopted. After many alternative proposals, the Conference agreed to discuss general problems first, in accordance with its agenda, putting emphasis on how to increase the viability and profitability of airlines; how to bring about commercial, technical and financial co-operation among the airlines; and low to overcome the problem of revenue transfers.

39. In the discussions that ensued one representative pointed out that since policy vis-à-vis chartered flights affected scheduled flights, the Conference needed to recommend to member States what to do. In his view outdated airport equipment and infrastructure were often to blame for congestion at airports. Another representative drew attention to the recommendations of the IATA/AFRAA meeting held in Nairobi, Kenya, on remedying the shortcomings of the African air transport network, and another representative summarized the recommendations on co-operation, co-ordination of African airlines, facilitation, and scheduling.

40. Much support was expressed for the view that the salvation of African airlines lay in the integration of existing airlines at the subregional or regional level. One speaker maintained that selfishness was one of the obstacles hindering integration, and another suggested that the Conference should consider a resolution on the integration of airlines. In order to cope with transfers of funds between African countries for which foreign exchange was a problem, it was suggested that a clearing bank and barter system should be given consideration.

41. Rounding up the discussions, the President of AFCAC said that it was important to indicate the relationship between the general problems discussed and the fifth-freedom with reference, where possible, to decisions already taken in the past. As co-operation had commanded extensive support the Conference should spell out the various types of co-operation needed for the improvement of African air transport. He regarded a clearing house as the solution to the problem of transferring funds. He also pointed out that participants needed to bear in mind the information given earlier by the representative of OAU about a project document on the feasibility study for the creation of a pan-African airline, which had been submitted to UNDP for financing.

42. The Secretary-General of AFRAA wondered whether it was necessary to wait for unity before tackling the problem of traffic rights, since the Conference had already accepted that co-operation was a good thing and had heard proposals to draw up a list of possible areas for co-operation.

Obstacles to the granting of traffic rights particularly those of the fifth freedom (agenda item 5)

The impact of the fifth freedom on strategies to develop air transport services (agenda item 6)

43. The Conference decided to take up all the documents under items 5 and 6 of the agenda (themes 2 and 3, documents TRANS/AIR/CONF/84/5/a and b and 6) together.

44. The first document (TRANS/AIR/CONF/84/4/a) was introduced by Mr. V. Savané. He stressed the complexity of the problems surrounding the fifth freedom, stemming from the sheer scale of the transactions involved and the unfavourable economic climate. He constructed his statement around three points.

45. Air transport was affected by a world economic recession which struck at all areas of the African economy more than elsewhere. A recent document published by the African Development Bank showed that, financially, African countries were heavily indebted. With respect to population, there was an alarming divergent trend: in the face of generally high population growth the active population was shrinking appreciably and even the agricultural sector, which accounted for the bulk of jobs for the African population, was not spared. The economic crisis was responsible for the fact that the majority of least developed countries were in Africa.

46. Whatever the origins of that depressing economic situation (oil crisis or cyclical phenomena), air transport had been hard hit by its effects: so much so that ICAO had decided to convene its first special conference to allow member States to look for solutions to all the major problems.

47. Before going on to define the freedoms of the air he stressed the importance of the concept of national sovereignty and the changing nature in both temporal and physical terms of the values assigned to freedoms of the air, which were no more than bilaterally granted technical and commercial operating rights.

48. The Bermuda Agreement between the United States of America and the United Kingdom was still the point of reference, but the United States, wanting to go further, had since striven ceaselessly to change its policy to one of total liberalization. That policy, which did not always respect national sovereignty, had been rejected by the rest of the world at the second Conference on Air Transport. Since 1979 the United States had tried to secure acceptance of the principle of "open skies" by internationalizing traffic. The "open skies" principle did not limit State sovereignty but its application in third world countries, particularly Africa, would have resulted in the disappearance of many national airlines under strong pressure from the competition.

49. He reminded the meeting that a 1964 ECA/ICAO study (document 8419/AT/718) had recommended the liberalization of traffic rights in Africa since operating costs were very high because of inadequate traffic. Since then, with the number of airlines growing as a result of political fragmentation, the African international sector, which had the greatest number of airlines (47) had carried the lowest volume of traffic in the world (4.8 per cent), earned the lowest revenue (3.9 per cent), and recorded the lowest growth rate (2.9 per cent). The generally poor standard of living in many African countries also worked to the detriment of air transport. In the circumstances, the African Ministers of Transport, Communications and Planning had recommended States to facilitate the granting of fifth-freedom rights to African airlines. The Ivory Coast had acted on that recommendation and had always favoured the pooling of airline resources; it had granted many facilities, including the fifth freedom, to African partners which for the most part had refused to reciprocate the gesture. Moreover, offers of special arrangements from countries like Rwanda were ignored by African airlines because of inadequate traffic. The number of airlines seeking fifth-freedom rights on routes with comparatively slow traffic growth was causing a drop in load factors and a deterioration in the quality of services. Given that situation, he suggested that the solution would be to integrate African airlines, if not at the regional level, then at least at the subregional one. The experience they

had acquired individually should enable them to work together towards such co-operation, which would prosper the future of air transport in Africa.

50. Before introducing document TRANS/AIR/CONF/34/5/b, Mr. Emeni apologized for his Director General, Group Captain Banfa, who had been unable to participate personally in the work of the Conference.

51. He briefly outlined the history of international air transport and the problems relating to the granting of fifth-freedom rights, which could be either economic or political. Owing to the weakness of the economies of African countries, States had been forced to adopt protectionist policies in favour of their national airlines. Moreover, there were still very few intra-African commercial exchanges. Over-capacity, manipulation of fares and adherence to the principle of reciprocity were all problems which hampered exchanges of traffic rights. Political and ideological problems and problems of national security were some of the causes for the refusal to grant fifth-freedom rights.

52. Some compromise solutions to the above problems would be to promote intra-African trade and commerce, establish multinational airlines, encourage commercial co-operation agreements between African airlines, establish memorandums of understanding of specified duration between African States, and refuse to grant fifth-freedom rights to non-African carriers operating in Africa.

53. In the absence of Mr. Daoudi, a member of the secretariat introduced document TRANS/AIR/CONF/34/6. saying that despite the key role of air transport in the integration and economic and social development of Africa the sector had some negative aspects such as excessively high operating costs, instability, inadequacy of traffic and disparities in the network. To improve on that situation African airlines needed to co-operate among themselves and base their operations on commercial rights, especially those of the fifth freedom.

54. Before coming to the main subject of the paper, he reminded the meeting what the six freedoms of the air were and explained how cabotage, little known in Africa, worked. Because of its importance for the development of air links in Africa, the fifth freedom had always retained the attention of African air transport officials. Thus it was that AFCAC had adopted recommendation S5-18 requesting States to grant air freedom rights; the African Ministers of Transport, Communications and Planning had on several occasions adopted resolutions whose main aim was to facilitate the granting of fifth-freedom rights (resolutions ECA/UNTACDA./Res. 79/6 , 81/19, and 83/34); and OAU had adopted resolution CM/Res. 900 (XXXIII).

55. The fifth freedom directly contributed to improving air services by making it possible to expand the network (which was still very weak) and permitting the establishment of many air links which would not have been able to survive if they had been merely operated under the third and fourth freedoms. Moreover, by developing exchange possibilities, the fifth freedom increased the frequency of intra-Africa flights (which was still very low) and, by promoting a spirit of competition, improved the quality of services offered. Similarly, the granting of fifth-freedom rights between certain points would make more operational the grid proposed by AFRAA whose objective was to promote the development of East-West intra-African exchanges.

56. Financially, the granting of fifth-freedom rights would ensure the expansion of the network and permit a more rational utilization of fleets, improving productivity and increasing the profitability of airlines. To achieve that the possibilities offered under the fifth freedom, on the one hand, and the third and fourth, on the other, would have to be properly managed and distributed. Depending on the case, the fifth freedom sometimes ensured the survival of a route by increasing its profitability; but it could sometimes threaten the very profitability of the airlines involved if not handled properly. The paper argued that to improve their network and air services African countries needed to promote the granting of fifth-freedom rights by accepting the drawbacks inherent therein. The price entailed was not too high for the object sought.

57. The Chairman, to help concentrate the Conference's deliberations on the specific mandate it had been given, outlined the terms of resolutions ECA/UNTACDA/Res.79/6 and 83/34. There followed a detailed discussion and a productive exchange of views. A number of points were raised:

(a) Putting earlier resolutions on the granting of traffic rights into practice had always created problems, the main ones being the protectionism to which States resorted because of their restricted markets and the multiplicity of national airlines set up by States as an assertion of national sovereignty.

(b) In view of the many difficulties associated with the granting of freedoms of the air, the fifth in particular, which representatives knew from practical experience of negotiating for or exercising them, it was asked whether it would not be better to set about the development of air transport in Africa by integrating airlines. It was pointed out that the resolutions adopted were primarily a means of promoting integration, which would help to smooth many of the obstacles to the granting of traffic rights. The experience of a number of airlines, Air Afrique in particular, argued in favour of such an approach. AFCAC, in the course of its activities, had adopted a declaration on traffic rights which spelt out what needed to be done. Its declaration emphasized the need to allow for traffic conditions along the arteries under negotiations. To help States find amicable settlements to disputes over the exercise of air freedoms, AFCAC had also created consultation machinery which could be used by its member States on request.

(c) There being apparent consensus on the establishment of multinational airlines, participants wondered what kind of integration they should recommend so as to foster the healthy growth of African air transport and hence encourage extension of the freedoms of the air. Several formulae were put forward which stressed the need to advance by stages: technical co-operation; collaborative operations; the extension of air freedoms; the pooling of material and financial resources, and joint training; the creation of multinational and subregional airlines; and the ultimate creation of a pan-African airline in accordance with the Lagos Plan of Action. It was considered prudent to provide for a transition period since the establishment of groups of airlines would need to be pondered. During that period the necessary research would be undertaken and machinery established to carry out the above-mentioned activities.

(d) Participants put forward and discussed specific proposals for accomplishing this and called upon the drafting committee to spell them out more clearly. The proposals dealt with the need to encourage co-operation between African airlines through AFRAA; the need to raise funds for the integration of African airlines and to set up subregional banks to facilitate the transfer of income; ways of encouraging countries to grant the freedoms of the air on the basis of appropriate compensatory arrangements; and the creation of a technical co-ordinating committee, comprising AFCAC, AFRAA, OAU and ECA plus a number of experts, to monitor the research undertaken and draw up and co-ordinate a specific programme of action.

Measures aimed at facilitating the exchange of traffic rights namely those of the fifth freedom (agenda item 7)

58. The Conference decided to take up all the documents under agenda item 7, (theme 4, documents 7/a, b, c, d and e) together.

59. Before introducing document TRANS/AIR/CONF/84/7/a, entitled "A compensatory tax on fifth-freedom rights", Mr. Moukayi said that because of various commitments his Minister had been unable to participate personally in the Conference but that paper reflected Gabon's position.

60. Traffic under the third and fourth freedoms was generally regarded as the "principal kind" and the fifth freedom, regarded by many air carriers as vital to the commercial viability of their operations particularly on international services with many stop-overs, still raised problems to which only short-range solutions had been found. In Africa, for economic reasons, States had a tendency to promote routes running from north to south and vice versa and some high-density intra-African connections, neglecting inter-regional connections.

61. In the context of the United Nations Transport and Communications Decade in Africa, African officials had constantly drawn the attention of States to ways of improving the African air network. Among other things, they had stressed the importance of establishing co-operation among African airlines, integrating them and mutually exchanging traffic rights (resolutions CM/Res. 804(XXXV) and ECA/UNTACDA/Res. 79/6). His country had expressed its opinion on the compensatory tax on fifth-freedom rights in 1979 at the sixth plenary session of AFCAC and at the 1982 AFCAC symposium. Compensation should apply only in the event of psychological resistance. While the calculation of compensation was not an easy operation because of the many factors involved, such a tax should apply only to high-traffic routes and this would exclude routes to be opened up, routes that were not utilized and existing low-traffic routes. Air Afrique and Ethiopian Airlines provided an example of successful co-operation in that regard. Application of the compensatory tax should also take account of the fact that the development of routes, even high-density routes, required some time.

62. He suggested considering the establishment of a barter system so as to avoid refusing fifth-freedom rights needlessly for lack of an adequate financial payment: the important thing was for both parties to find something to their advantage in the trade-off. Only thus could talk of African solidarity and the economic integration of the continent begin to make some sense.

63. In the absence of Mr. Taieb, a member of the secretariat introduced document TRANS/AIR/CONF/84/7/b entitled "Regionalization of air transport in Africa". In its introduction the study presented the situation of Africa in figures: the continent covered 30 million km^2, had 560 million inhabitants, a total gross domestic product of 2 billion dollars and 2,450 commercial aircraft, but accounted for only 5.2 per cent of the world's flown passenger/kilometres. In 1982, the operating costs of African airlines were 82 per cent higher than the world average (81 US cents compared to 42.5 US cents).

64. On the socio-political level, the fragmentation of the continent into disparate national entities was the first obstacle to the liberalization of air transport in Africa. Moreover, at independence States had created their own airlines and such dispersion had harmful effects on the air transport sector in Africa. Yet the States of one region had good reasons to give priority to establishing mutual relations.

65. They had to meet a fundamental problem, namely the satisfaction of the real needs of the African community, while taking into account external constraints of a political, economic and human nature. A solution needed to be found in African airline policy. Yet air transport in Africa posed many problems because the States pursued divergent policies. Africa had made unsuccessful attempts at establishing joint enterprises.

66. States continued to oppose the liberalization of the granting of the fifth freedom. The Arab Civil Aviation Council rejected that trend. Similarly, it had still not been possible to integrate Maghreb airlines and the various recommendations by subregional meetings on the integration of African airlines had not been implemented. Finally, the convention on the establishment of the African Air Tariff Conference had still not been ratified. Those failures were due to the fact that the majority of States believed they were protecting the interests of their national airlines.

67. The role of air transport in Africa was to service the public; air transport was one of the main economic tools. It had a vital role to play in promoting industries and tourism. It was also an instrument of national prestige and international relations. However, the role of air transport was not the same in every country and political factors sometimes distorted the approaches adopted. For all the foregoing reasons the development of air transport in Africa could be considered only in the context of overall economic and social development before being placed within the framework of the international development strategy.

68. To solve such problems intellectual honesty, diligence, creativity, solidarity among all States and respect for the laws of all States in the region should come increasingly into play. From the technical standpoint, development prospects should be considered from the angle of standardizing air fleets, establishing spare parts pools, collective insurance and implementing the various recommendations adopted by the subregional meetings organized by AFCAC on the integration of African airlines. From the business standpoint, such prospects should be seen from the angle of improving productivity and controlling costs of the air transport system in Africa.

69. Faced with the alarming economic situation of Africa, only political will at all levels could usher in genuine co-operation and bring about the harmonization of airlines' policies, the integration of airlines and optimum development of air transport services in Africa.

70. The paper presented by Mr. Dan Langeler, document TRANS/AIR/CONF/84/7/c, gave possible guidelines for opening up avenues of discussions between airlines and the government agencies concerned with civil aviation. It underscored the importance of airlines as agents for promoting practical and economic advances and deplored the effects of the current world economic recession on airlines' approaches to guaranteeing fifth-freedom traffic rights, arguing that only extensive negotiations between airlines could give the African public the type of air transport services it was looking for.

71. It gave three suggestions which might help African carriers to share their financial and operating costs. The first was that the carriers of neighbouring countries should enter into multilateral or tripatrite pooling arrangements, which would reduce excess capacity on particular routes and result in better load factors, higher profits, and reduced operating costs. The second required carriers to enter into a "space leasing pool" especially where the volume of traffic did not economically and financially justify direct lines and the Governments of the respective airlines' countries desired such an agreement. The third suggestion envisaged a scenario where the carrier of one State which had already an air services agreement with the carriers of two other States negotiated with carrier three to use that carrier's licence to exercise its third- and fourth-freedom rights in the country of carrier number two. An arrangement of that type could be agreeable where there was inadequate equipment by two carriers; one of the carriers was unable to meet demand; and where both carriers could share income.

72. He cited the political and economic consensus achieved by the member States of the Southern African Development Co-ordination Conference (SADCC) as an example of how the above-mentioned proposals could be implemented, and recommended that African States should adopt the following strategies for a specific period:

(a) Restructuring and rationalization of the scheduled air networks within the region; in which case, carriers would serve border/geographical regions as a single market;

(b) Co-ordination in establishing fares; in which case no member carrier within the region would try to establish a fare within or from the region to the exclusion of interested member carriers;

(c) Development of close commercial relationships with respect to handling agreements, fuel prices, etc.; and

(d) Establishing traffic-right exchange procedures that were as liberal as possible, with more emphasis on the fifth freedom; such rights should be negotiated where practicable and desirable without interference from outside bodies.

73. He concluded his paper by recommending that African airlines should pool their manpower and equipment resources the better to meet the needs of African passengers.

74. Mr. Johanny Guirma, introducing document TRANS/AIR/CONF/84/7/d, said that African countries' experience in negotiations on bilateral agreements had revealed two sets of problems which hampered the development of air transport in Africa. They were, first, exogenous factors caused by the expression of national sovereignty such as:

(a) The refusal of States to negotiate for various reasons including lack of interest, competition, and selfishness (rare but more harmful);

(b) Political interference before or during negotiations, which changed their nature in defiance of the principles of international air transport. Parties subjected to such pressure generally tried to sabotage negotiations. Technical considerations must henceforward be given priority in all negotiations.

(c) Geographical conditions which raised sensitive problems such as the need to use overly costly equipment on some air links. In such cases acceptable compensatory arrangements needed to be made;

(d) Ignorance of air transport techniques by those responsible for negotiations. Such practices had to be abandoned by States;

(e) The fundamental problem of transferring funds, which continued to hamper the development of transport in Africa. The establishment of an African monetary fund could solve that problem. The complexity of airport formalities could also be included in the set of exogenous factors.

75. The following factors were inherent in the system itself:

(a) Inadequate concessions by either partner when a balance would facilitate negotiations;

(b) Concentration on certain air links, leading to redundant capacity which in turn reduced load factors sharply;

(c) Deliberate abuse of the sixth freedom by certain airlines which operated 90 per cent under that freedom. Such airlines were always looked upon with suspicion by their potential partners;

(d) The commercial value of a point, which was not always obvious. Weighted adjustments sometimes allowed a better balance of the benefits to contracting parties.

76. In conclusion, he said that the fifth freedom did not always correspond to the interests of the airline, and as a complement to the fifth freedom other measures, such as co-operation between airlines, special authorization to embark passengers, and commercial airline agreements, could bring about an improvement in air transport in Africa.

77. The representative of the Organization of African Unity (OAU) introduced document TRANS/AIR/CONF/84/7/e, "An attempt at a multinational air services agreement in Africa". He commented that the central role played by transport and communications in Africa's economic development made it one of the major concerns of OAU: indeed, the sector was specifically mentioned in the OAU Charter. From this importance of transport and communications derived the importance which OAU attached to the development of air transport.

78. During the 1960s, following the establishment of OAU, the activities of the organization's secretariat had revolved around the creation of awareness among member States of the need for close co-operation over air transport. During that period the States of East and Central Africa had held "Good Neighbours" gatherings with a number of sectoral committees, one of them on transport and communications with a sub-committee on air transport and civil aviation. The sixth summit of the East and Central African States, held in January 1970, called for a meeting of the Air Transport and Civil Aviation Sub-Committee to study the problems encountered in granting full traffic rights among member States. OAU had duly convened the meeting in November 1970. The meeting had requested OAU and ECA to prepare a draft multinational air services agreement. Following various consultations a draft was prepared but, unfortunately, was never considered before the "Good Neighbours" Conferences were discontinued.

79. Although there was sufficient evidence that the political will existed, for some reason the means to give effect to it seemed to have eluded African States. The most important contribution of the Conference would, therefore, be to devise practical ways of solving this problem which had preoccupied African Governments for so long.

80. He welcomed the new pan-African effort to bring about a continent-wide liberalization of traffic rights, and hoped it would succeed.

81. After those introductions the Chairman said that most of the issues raised on the granting of freedoms of the air had been considered under items 5 and 6 and that concrete proposals should be made to enrich the ideas already expressed.

82. It was suggested that the activities of the technical co-ordination committee should be planned according to short-, medium- and long-term programmes. All commercial approaches and activities including the exchange of traffic rights should come under the short-term programme; in the medium term the integration of airlines should be given tangible expression through the establishment of multinational airlines; and in the long term subregional integration should be seen as a step towards the creation of a pan-African airline in conformity with the Lagos Plan of Action and Final Act of Lagos.

83. It was once more recommended that States should make the fullest use of the consultation machinery established by AFCAC.

84. It was proposed to include in the terms of reference of the committee the following tasks: identifying the routes needed to achieve the economic and physical integration of Africa and classifying them according to whether they could be developed by harmonizing schedules or granting appropriate traffic rights (in the latter case the committee would have to consider conditions for granting such rights); studying the problems of co-ordinating tariffs; and ensuring that States attained their objectives in the area of co-operation and integration of air transport.

85. One representative proposed that the membership of the technical committee should be enlarged so that in addition to representatives of OAU, ECA, AFCAC, AFRAA and experts, airlines could be involved in the committee's investigations.

86. The Conference requested the drafting committee to take all the proposals into account when drafting its general conclusions.

Facilitation in Africa (agenda item 8)

87. A representative of the secretariat introduced document TRANS/AIR/CONF/84/8 and said that facilitation had repercussions on the exercise of traffic rights because it affected the beginning and end of air travel. Facilitation problems at airports always had adverse effects, caused delays on the ground and resulted in the loss of national resources. Analysis of the current status of facilitation in Africa showed that not all African States had appropriate bodies to deal with facilitation. Facilitation problems were the result of many factors. A wide variety of documents were required for various security formalities whose purpose was not always obvious. Airport design was not always functional. Checking formalities were excessively stringent. In the long run, such problems retarded the economic and social development of the continent.

88. He put forward a number of proposals for solving the problems of facilitation in Africa, bearing in mind security requirements and national economic interest. Such recommendations were meant for African State airlines and international and regional organizations. Facilitation was not an end in itself; it was meant to be integrated into an international system of air transport which would be beneficial to the economies of African countries.

89. The ensuing debate revealed a general feeling that action was needed to streamline facilitation proper, meaning government health, immigration and customs formalities, and to improve the arrangements made by airlines for the comfort and convenience of their passengers on the ground, which might be regarded as aspects of quality of service. Poor and slow procedures on the ground served only to discourage business travellers from flying African airlines and stunt the growth of travel for pleasure.

90. Several speakers commented on the difficulties that transit passengers had in obtaining visas to leave the airport in certain African countries, although it was pointed out that African countries were certainly not alone in that respect. One representative described a two-stage approach, under which visas would initially remain necessary for movement in an individual subregion but would be granted more or less automatically; later, under a separate agreement, visa requirements would be dropped altogether. He suggested that a similar scheme could eventually apply to all Africans travelling within Africa. Some of the delays and obstacles in facilitation procedures were ascribed to a greater concern among immigration and customs officials for national security than the swift movement of passengers and cargo; they might be eased, it was said, if the authorities concerned were reminded, through the facilitation committees advocated by ICAO, that the majority of African air travellers posed no threat to the security of any nation, and if airport officials were kept informed of changes in immigration policy, customs and visa requirements. One representative argued that investment by African Governments and airlines in more sophisticated surveillance and baggage inspection equipment would reduce the need for time consuming individual baggage searches. A plea was made for simplicity and, above all, uniformity in facilitation procedures; where requirements differed it was airlines' responsibility to notify their passengers of the conditions applicable in each country.

91. There was widespread praise for the paper presented by the ECA secretariat. A number of speakers commended the recommendations it made, and called for the document to be given wide circulation.

92. The representative of the Pan African Postal Union (PAPU) made a statement detailing the importance of efficient facilitation to good postal services. He offered for the Conference's consideration a draft resolution proposing the establishment of a "postal administrations/airlines contact committee".

93. Participants acknowledged that facilitation was a salient factor in postal services in African countries. There was general agreement, however, that the Conference was not empowered to take up or pass judgement on a proposal that entailed demands on bodies, governments and airlines. The representative of PAPU was advised to submit his draft to the Conference of African Ministers of Transport, Communications and Planning.

Any other matters (agenda item 9)

94. No other matters were raised.

VII. ADOPTION OF THE REPORT, RECOMMENDATIONS AND CONCLUSIONS (agenda item 10)

95. At the final plenary session of the Conference, on 23 November 1984, the Rapporteur introduced the draft report of the proceedings which the Conference adopted with slight modifications. He then introduced a draft declaration prepared by the drafting committee; after extensive discussion and a number of amendments, the Conference adopted the draft as the "Mbabane Declaration on African Air Transport", which will be published separately.

VIII. CLOSURE OF THE CONFERENCE (agenda item 11)

96. In their closing statements the Acting Deputy Executive Secretary of ECA and the Chairman of the Conference thanked participants for attending the Conference and congratulated them on their accomplishment in setting up a technical committee on air transport to follow up on the action taken under the various resolutions passed by decision-making bodies. They said that it should commence work as quickly as possible.

97. The representative of Kenya proposed a vote of thanks to the Queen Regent, Government and people of Swaziland for their hospitality and the excellent arrangements they had made to help the Conference proceed smoothly.

98. The Chairman then declared the Conference closed.